



## 1. Project Data

<b>Project ID</b> P161541	<b>Project Name</b> SET	
<b>Country</b> Tonga	<b>Practice Area(Lead)</b> Social Protection & Jobs	
<b>L/C/TF Number(s)</b> IDA-D3660,WBTF-A7984	<b>Closing Date (Original)</b> 30-Sep-2023	<b>Total Project Cost (USD)</b> 20,389,175.15
<b>Bank Approval Date</b> 28-Aug-2018	<b>Closing Date (Actual)</b> 31-Dec-2024	
	<b>IBRD/IDA (USD)</b>	<b>Grants (USD)</b>
Original Commitment	18,510,000.00	2,393,224.00
Revised Commitment	17,859,420.56	2,392,050.88
Actual	17,997,124.27	2,392,050.88

<b>Prepared by</b> Rima Al-Azar	<b>Reviewed by</b> Salim J. Habayeb	<b>ICR Review Coordinator</b> Susan Ann Caceres	<b>Group</b> IEGHC (Unit 2)
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## 2. Project Objectives and Components

### a. Objectives

According to the Financing Agreement (FA Schedule 1, p. 5), and the Project Appraisal Document (PAD, p. 16), the Project Development Objective (PDO) was “to improve opportunities for secondary school progression and facilitate the transition to jobs in the domestic and overseas labor markets for Tongans”.

For the purpose of this ICRR, the PDO can be unpacked as follows:



Objective 1. Improve opportunities for secondary school progression; and

Objective 2. Facilitate the transition to jobs in the domestic and overseas labor markets for Tongans.

**b. Were the project objectives/key associated outcome targets revised during implementation?**

No

**c. Will a split evaluation be undertaken?**

No

**d. Components**

The Skills and Employment for Tongans Skills and Employment for Tongans (SET) Project included four components:

**Component 1: Conditional cash transfer program for secondary school enrolment and attendance** (Original financing US\$6.5 million; Actual cost at closing US\$7.8 million) was designed to encourage progression and completion of secondary education among poor and vulnerable households by offering conditional cash transfers (CCTs). These financial incentives aimed to reduce economic barriers that prevent children from staying in school, while also motivating families to prioritize education. It included two sub-components:

- **Subcomponent 1.1: Technical assistance required to establish CCT**, including (i) developing a registry of beneficiaries;(ii) creating a robust management information system (MIS) for enrollment and payment tracking; (iii) establishing a grievance redress mechanism; (iv) setting up monitoring and evaluation guidelines; (v) launching a communications strategy; and (vi) managing the program both centrally and in remote areas such as the Outer Islands.
- **Subcomponent 1.2: Cash transfers and bonus payments.** Eligible households were to receive TOP 360 (approximately US\$170) per school term - totaling TOP 1,440 (US\$680) annually - provided their children meet attendance requirements. Additionally, households were to receive a bonus of TOP 180 (US\$85) for each grade their child successfully completed. The program was conditional on children achieving at least 80 percent attendance per quarter. Initially, the program was designed to target the poorest 3 percent of households - around 450 families - identified through a multidimensional poverty measurement tool (PMT) and validated through surveys and community consultations. By the end of the project, it aimed to reach the poorest 10 percent of households, approximately 1,860 families.

**Component 2: Strengthening Technical and Vocational Education and Training (TVET) provision** (Original financing US\$3.7 million; Actual cost at closing US\$4.0 million). This component aimed to improve the quality of vocational education and make it more accessible to disadvantaged students. It did so by funding TVET institutions through competitive grants for curriculum upgrades, equipment, and partnerships, while also covering tuition and living costs for poor students - especially those from remote areas. Additional support was provided for language training and exams needed for overseas work opportunities. The initiative also worked to strengthen governance by creating a digital labor market information system. It included three subcomponents:



- **Subcomponent 2.1: Improving the quality of TVET.** Through this subcomponent, the Project provided Quality Improvement Grants (QIGs) to selected institutions to support activities (e.g., curriculum development, equipment purchases, staff training) to ensure that the qualifications offered by these programs are recognized by international bodies. This recognition would allow graduates to access higher-level employment opportunities abroad. The subcomponent also promotes fiscal transparency and accountability within TVET institutions and prioritizes programs that encourage female participation to address gender disparities in the sector.
- **Subcomponent 2.2: TVET Student Support Funds.** Through the provision of TVET Student Support Funds (TSSF), this subcomponent aimed to increase enrollment and completion rates among disadvantaged students, particularly women and individuals from Tonga's Outer Islands. The TSSF covered tuition fees and living costs to eligible students who met attendance and academic performance requirements.
- **Subcomponent 2.3: Strengthening governance of the TVET sector** supported the development of a TVET Education Management Information System (EMIS) housed within the Ministry of Education and Training (MET), with links to the Tonga National Quality Assurance Board (TNQAB). Additionally, it facilitates the creation of a governance proposal aimed at improving efficiency, autonomy, and accountability across the sector.

**Component 3: Enhancing opportunities for labor migration** (Original financing US\$1.8 million; Actual cost at closing US\$1.2 million). This component aimed to expand employment opportunities abroad for Tongans by improving pre-departure training and strengthening the institutional capacity of the Employment Division (ED) within the Ministry of Internal Affairs (MIA). It included two subcomponents:

- **Subcomponent 3.1: Pre-departure training for migrant workers.** This subcomponent financed a two-day workshop covering essential topics such as employer expectations, financial literacy, remittance services, cultural adaptation, and minimizing social impacts on families left behind. The standardized pre-departure training targeted all migrant workers, including those participating in labor mobility programs in Australia and New Zealand.
- **Subcomponent 3.2: Institutional strengthening for the ED** focused on strengthening its ability to support migrant workers. It aimed to improve outreach and information-sharing about migration opportunities, streamline selection processes, and expand the database of work-ready candidates to include a broader range of skills.

**Component 4: Strengthening of systems to support quality improvement** (Original financing US\$8.9 million; Actual cost at closing US\$7.5 million). Through this component, the project planned to ensure effective project management. It included two key subcomponents:

- **Subcomponent 4.1: Establishment and functioning of the Central Services Unit (CSU) (IDA: US\$4.61 million; Recipient Executed Trust Fund [RETF] US\$2.39 million).** The CSU, overseen by the Ministry of Finance and National Planning (MFNP), was to support the SET as well as other World Bank-financed initiatives in Tonga. The CSU was to provide implementation and advisory services in areas such as procurement, financial management, monitoring and evaluation (M&E), and contract oversight, coordination, performance management, and reporting to the World Bank on a semiannual basis.
- **Subcomponent 4.2: Project Management Unit (US\$1.9 million).** This subcomponent funded the Project Management Unit (PMU), within the Ministry of Internal Affairs.



## e. Comments on Project Cost, Financing, Borrower Contribution, and Dates

### The project was restructured twice:

1. In January 2023, the first restructuring (i) **scaled up activities** to improve labor mobility support (e.g., pre-departure training for migrant workers was extended to all island locations; consultants and trainers were hired to conduct research and develop training materials; and additional support was provided for medical clearances); (ii) **introduced new initiatives** under Component 2 to strengthen vocational education in Tonga (e.g., technical and operational support to the TNQAB; training of 200 TVET teachers through the Tonga Institute of Education; purchase of equipment; inclusion of work placement allowances for students from Tongatapu; and performance-based and small grants to eight TVET institutions); (iii) **reallocation** of funds between components ; and (iv) **extended the project closing** date by one year.
2. In April 2024, at the government's request, the second restructuring resulted in a further extension of the project closing date by three months and in the reallocation of the grant proceeds.

The project was co-financed by a US\$ 18.5 million International Development Association (IDA) grant (IDA-D3660) and by a US\$ 2.39 million from the Australia-Pacific Islands Partnership (APIP) Trust Fund (TF-A7984) for a total of US\$ 20.9 million (ICR, p. ii). At closing, the actual project cost was US\$20.4 million.

Finally, the project was approved in August 2018 and became effective in January 2019 (ICR, p. ii). The initial project closing date of 30 September 2023 was extended twice and the project closed on 31 December 2024 (ICR, p. 8).

## 3. Relevance of Objectives

### Rationale

**The project was highly relevant since it addressed development challenges in Tonga**, namely: (1) low secondary school enrolments and high level of dropouts; (2); mismatch between vocational training provided and skills demand in the country and beyond; and (3) barriers to labor migration (e.g., limited skills, information constraints, and the upfront costs) (ICR, pp. 10-14).

**The project was aligned with the government's strategies and sectoral policies.** At appraisal, the three components of the project directly supported key national outcomes identified in Tonga's Strategic Development Framework 2015–2025. The Conditional Cash Transfer (CCT) program incentivized human capital development, promoted gender equality, and enhanced Technical and Vocational Education and Training (TVET), aligning with Outcome A (a dynamic, knowledge-based economy) and Outcome C (human development with gender equality). Meanwhile, efforts to improve access to overseas employment contributed to Outcome G (strengthening external interests and national sovereignty) (ICR, p. 9).

**The project was also fully aligned with the World Bank's strategies throughout the project's lifetime.** It was in line with the World Bank Group's Regional Partnership Framework (RPF, R2017-0028 [IDA/R2017-0016, IFC/R2017-0029, MIGA/R2017-0006]) for the nine Pacific Island Countries (PIC9),



covering fiscal years 2017 to 2021. Specifically, it supported Focus Area 2 of the RPF - “Enhancing access to quality public services and employment opportunities”—which mirrors the core objectives of the operation. In addition, the initiative was well positioned to advance the longer-term employment prospects highlighted in the World Bank’s *Pacific Possible* vision, particularly in Tonga’s tourism industry and the aged care sectors in Australia and New Zealand (PAD, p. 15).

**In addition to being fully aligned with national and Bank strategies, the project maintained its relevance through its adaptability to respond to the COVID-19 pandemic.** The project remains closely aligned with Tonga’s evolving national priorities, as outlined in the *Pacific Islands Systematic Country Diagnostic Update 2023*. It supports three key areas: expanding labor mobility, improving education quality and access, and developing adaptive social protection systems. In response to the COVID-19 recovery agenda under the World Bank’s *Global Crisis Response Framework* (July 2022), the project’s first restructuring introduced and scaled up activities targeting vulnerable populations (ICR, p. 10). In addition, **and to respond to the COVID-19 pandemic, when travel from outer islands to the main island became difficult, the project addressed this by funding doctor visits to outer islands for medical clearances and equipping select hospitals with X-ray and teleradiology systems (ICR, p. 17).**

## Rating

High

## 4. Achievement of Objectives (Efficacy)

### OBJECTIVE 1

#### Objective

Improve opportunities for secondary school progression

#### Rationale

**The Theory of Change (ToC) held that by (i) providing conditional cash transfers (CCT) to poor families, and (ii) by providing technical assistance (TA) to strengthen the social protection system (management information system, grievance redress mechanism, etc.), a greater number of students would complete the grade and transition to the next.**

**At appraisal, while primary school attendance was nearly universal, with 100 percent of children aged 5–13 enrolled, enrolment dropped sharply in secondary education, with only 80.4 percent of youth aged 13–18 attending school. Completion rates were even lower, with just 15.6 percent of men and 14.7 percent of women aged 18 and above finishing secondary school. Poverty played a significant role in this issue: among the poorest 10 percent of households, only 56.7 percent of adolescents were enrolled in secondary school, and just 8.7 percent completed it, with no gender disparity in completion. The structure of the school system compounded the problem - only 30 percent of secondary schools were government-run and offered subsidized fees to high-achieving students, while the remaining 70 percent were privately operated, mostly by religious organizations, and charged high fees despite struggling to retain qualified teachers. Financial**



hardship, early entry into the workforce, lack of academic motivation, and a perception that schools fail to prepare students for employment all contributed to dropout rates (PAD, p. 12).

**In addition, and prior to the project, Tonga’s social protection system was underdeveloped.** To improve this, the World Bank assisted the Social Protection and Disability Division (SPDD), under the Ministry of Internal Affairs (MIA) in designing a poverty alleviation program, including a conditional cash transfer (CCT) initiative. Since SPDD’s capacity was limited, the project aimed to build on existing infrastructure - like payment systems and field offices - and to introduce new tools such as a Management Information System (MIS) and grievance redress mechanisms (GRM).

### Outputs and Intermediate Results

**The project achieved all Output and the Interim Results targets it had established under this Outcome (see Table 1), mainly:**

**Table 1. Achievement of outputs and interim results under this objective**

Indicator	Baseline	Target	Achieved	Percentage achieved
Beneficiary households registered in the CCT program (Number)	0	1,400	2,478	177
Development of a Management Information System for the CCT program (Yes/No)	No	Yes	Yes	100
Percentage of CCT grievance redress claims settled within three months of application (Percentage)	0	80	100	125
Share of high school students from the CCT program that attend school at least 80% of time (Percentage)	97	80	98	123

### Outcomes

**The project achieved the following Outcomes: (1) Increased percentage of CCT students that completed the grade; and (2) increased percentage of CCT students that transitioned to the next grade or to a TVET program (see Table 2).**

**Table 2. Outcome indicators**

Indicator	Baseline	Target	Achieved	Percentage achieved
Share of CCT students that completed the grade over all CCT students enrolled in that grade (Percentage)	44.1%	80%	94%	118%
Share of CCT students that completed the grade over all CCT students enrolled in that grade - Female (Percentage)	48.9%	80%	95%	119%
Share of CCT students that transitioned to the next grade OR to a TVET program (Percentage)		70%	80%	114%
Share of CCT students that transitioned to the next grade OR to a TVET program - female (Percentage)		70%	81%	116%



Although the CCT Program started late due to COVID-19 in 2020, savings from the slow implementation of Component 1 were used to provide an additional one-off payment to CCT beneficiaries (ICR, p. 10). However, the ICR does not mention whether COVID 19 pandemic-induced school closures had any impact on school attendance, completion and/or transition to the next grade.

Finally, according to a follow-up impact evaluation survey conducted in 2024, CCT beneficiary households reported a wide range of benefits, including “the children could eat at school” and “children’s school performance improved.” Almost all households spent the money received from SET on school fees, books and stationery, uniforms, and transport to and from school. Three-quarters of households also reported using the money for food (Project Team’s response, email 20 September 2025).

**Rating**  
High

## OBJECTIVE 2

### Objective

Facilitate the transition to jobs in the domestic and overseas labor markets for Tongans

### Rationale

**The ToC held that by providing (i) Quality improvement grants (QIGs) for select TVET institutions; (ii) financial support for TVET students through TVET Student Support Funds (TSSFs); and (iii) pre-departure training for migrant workers, transition to jobs in the domestic and overseas labor market for Tongans would be facilitated.**

**At appraisal, TVET** was inconsistent and under-resourced, with some workers receiving no preparation at all (PAD, p. 20). It faced significant challenges in aligning with labor market demands, both domestically and internationally. It comprised three formal streams—government institutions, church-run schools, and private or NGO providers—alongside informal training programs. However, the system remained largely supply-driven, with limited input from industry or communities, especially given that most formal employment opportunities lie outside Tonga. Accreditation issues further complicated international recognition of Tongan qualifications. Financial constraints hindered expansion and innovation, with government funding barely covering operational costs (PAD, pp. 13-14).

**Prior to the Project, labor employment abroad, limited skills, information constraints, and the upfront costs associated with accessing these opportunities remain barriers for many Tongans, especially women.** Despite high literacy rates, many Tongans lacked functional skills and soft competencies needed for employment, leading to reliance on foreign labor for domestic reconstruction projects. Disadvantaged households faced barriers due to weak information networks and limited access to training. Tonga has the third largest diaspora among Pacific Island nations, and its participation in schemes like Australia’s SWP and New Zealand’s RSE has grown, though gender disparities persist (PAD, p. 15).

### Outputs and Interim Results



**The project achieved the following outputs and reached the Interim Results target it had established under this Outcome (see Table 3), mainly:**

**Table 3. Achievement of outputs and interim results under this objective**

Indicator	Baseline	Target	Achieved	Percentage achieved
TSSF beneficiaries enrolled in a certificate or diploma level qualification - overall (Number)	0	600	1,064	177%
TSSF beneficiaries enrolled in a certificate or diploma level qualification - female (Number)	0	330	435	132%
Number of TVET qualifications supported by a Quality Improvement Grant (Number)	0	8	13	163%
Share of beneficiaries satisfied with the project financed TVET Student Support Funds (Percentage)	0	80	100	125%
Beneficiaries completing a pre-departure training program for migration - overall (Number)	0	8,000	13,778	172%
Beneficiaries that have completed a pre-departure training program for migration - female (Number)	0	2,000	3,608	180%
Volume of Tongans in work ready pool - overall (Number)	0	1,600	5,759*	360%
Volume of Tongans in work ready pool - female (Number)	0	950	1,940*	204%

\* These numbers are not “unique” numbers of beneficiaries since one person could have reached the work-ready pool team several times following the different trainings. The Borrower’s ICR estimated that the total number of “unique” beneficiaries is likely to be three times lower and specifically that of female beneficiaries to be half of the number reported (Borrower’s ICR, p. 33).

**Outcomes**

**The Project achieved the outcomes associated with this objective, namely “the average completion rate of project-supported TVET programs” and “the number of beneficiaries accessing employment abroad”** (see Table 4). However, the indicator measuring “completion rates” does not reflect the increase in domestic employment.

**Table 4. Achievement of outcomes under this objective**

Indicator	Baseline	Target	Achieved	Percentage achieved
Share of beneficiaries satisfied with the project financed TVET Student Support Funds (%)	0	80	100	125%
Average completion rate of project-supported TVET programs (overall) (Percentage)	0	77	79	103%
Average completion rate of project-supported TVET programs (female) (Percentage)	0	76	81	107%
Beneficiaries in the work ready pool accessing employment opportunities abroad - overall (Number)	0	2,000	2,878	144%



Beneficiaries in the work ready pool accessing employment opportunities abroad - female (Number)	0	500	944	189%
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**COVID-19 had a significant impact on Component 3 related to overseas employment opportunities.** With in-person training not possible during lockdowns and travel restrictions, pre-departure training (PDT) for prospective migrant workers was conducted online. This adaptation allowed training activities to continue, albeit in a different format. On one hand, online training was recognized as being more cost-efficient for beneficiaries, reducing travel and accommodation costs, especially for those from outer islands. On the other hand, it did not offer the same level of interaction, engagement, or hands-on learning as in-person training (email from Project team, 20 September 2025). Indeed, 13,778 workers completed a pre-departure training program, of which 5,759 were considered work-ready. Of these, 2,878 received opportunities to work abroad (i.e., around 21 percent of those trained succeeded in finding overseas employment which is lower than the original target of 25 percent – 2,000 employed/8,000 trained).

**Finally, the ICR does not provide any information on the number of beneficiaries that successfully found employment in the domestic labor market** since the Ministry of Education and Training (MET) was unable to track employment status of beneficiaries due to impacts of the COVID-19 pandemic (ICR, p. 7) and the indicator was dropped in 2022 (TTL clarification, email 21 October 2025).

**Rating**  
Substantial

## OVERALL EFFICACY

### Rationale

The Project's overall efficacy is rated **Substantial** based on the aggregated achievements of project objectives and targets discussed above. The Project fully achieved the outcome under Objective 1. However, under Objective 2, there was no information regarding domestic employment. In terms of international labor migration, whereas the Project achieved its set outcome targets, in real terms, it did not achieve the relative targets for the following indicators: Volume of Tongans in work ready pool - female (initial target 60 percent of total beneficiaries; achieved 34 percent). It also succeeded in assisting 21 percent of the beneficiaries that were trained in accessing employment opportunities abroad, versus the 25 percent which was originally set as a target). Finally, the number of Tongans in work ready pool does not capture "unique" beneficiaries so it is not possible to assess the extent to which the target was achieved.

### Overall Efficacy Rating

Substantial

## 5. Efficiency



**Efficiency as analyzed based on coverage, timeliness, cost, and implementation arrangements.**

**In terms of coverage, the project exceeded all its targets. For Component 1: 2,478 households registered as CCT beneficiaries, well above the target of 1,500. Similarly, for Component 2: 1,064 people benefited, exceeding the goal of 600 and for Component 3: 13,778 workers completed pre-departure training, surpassing the original target of 8,000 (ICR, pp. 12-13).**

**The CCT program successfully reached its target group.** project data demonstrated that the CCT program effectively targeted poor households, few households below the Proxy Means Test (PMT) cut-off joining the program. Furthermore, participation tended to increase with higher PMT scores - meaning poorer households were more likely to enroll. **Still, not all eligible low-income households participated. A known barrier was the absence of secondary school students, a key eligibility criterion. Other factors remain uncertain and warrant further investigation (ICR, p. 11).**

**The project became effective in less than five months (ICR, p. ii) and was implemented as scheduled, with an expanded scope and within the original implementation period, despite some delays (ICR, p. 14).** Between 2020 and 2023, Tonga was affected by multiple shocks—the COVID-19 pandemic, TC Harold, and the HT-HH volcano eruption - causing significant negative effects on the economy, school closures, and movement restrictions due to border closing. The first restructuring was a response to the implementation delays in project activities as a consequence of these shocks (ICR, p. 9). Furthermore, the development of the MIS suffered substantial delays with the procurement taking place on 30 January 2023, four years after project effectiveness (Project team, email 20 September 2025). As note in the Borrower's ICR, the project would have benefited if the MIS was developed and fully functioning within the first 12 months of project implementation (Borrower's ICR, p. 29).

Both the Internal Rate of Return (IRR) and the Benefit Cost Ratio (BCR) for each of the three components at the end of the project were strong albeit lower than originally calculated during project appraisal (ICR, p. 13).

**A key limitation of the post-completion economic analysis is its reliance on household survey data rather than direct beneficiary data for employment outcomes and wages, due to unavailability.** While administrative records on program utilization were used, the employment-related findings are based on 2021 survey data—collected roughly three years prior to project closure and during the COVID-19 pandemic—potentially leading to an underestimation of labor market impacts (ICR, p. 13).

**The project management expenses were at USD 2.3 million, constituting 11 percent of the total project budget (Project Team, email 20 September 2025).** The project also benefited from CSU support; however, the actual of this support was not reported in the ICR and the project Team cannot be identified or attributed to the project (Project Team email 20 September 2025). However, according to the Borrower's ICR, the initial budget allocated to the CSU was US\$5 million which constituted an addition 23 percent of the total budget (Borrower's ICR, Table 1, p. 9). The project also benefited from CSU support; however, the cost of this support cannot be identified or attributed to the project. Furthermore, the PAD did not provide the expected management cost so it is not possible to assess whether the actual management costs were below or above the expected ones.

**Insufficient human resource capacity at the school as well as Ministry level contributed to implementation delays.** (1) At the school level, secondary schools and TVET institutions struggled to provide verification of the beneficiaries' attendance on a monthly basis. (2) The recruitment of extra capacity to support the Principal Training Officer, as the seasonal worker registration was growing, was very late in the implementation period. (3) Staff High Turnover especially key staff and delays to procurement recruitment, did



contribute to slowness of some work activities. (4) MET had insufficient capacity to process QIG payments for government TVET beneficiaries. Although the PMU engaged a Finance Officer in 2023, public TVET providers had to extend their QIG programs to 2024 due to delays in exhausting their QIG funds. (5) The pressure on MoF to process payments for the PMU and implementing agencies was very high throughout the implementation period. The influx of payment requests from several donor-supported projects made it difficult for the only designated staff responsible for project-related payments to manage. Assigning additional capacity to Treasury designated to SET payments, could have minimized delays in CCT, TSSF and QIG payments and issuing of contracts (Borrower’s ICR, p. 27).

**At the implementation level, despite involving three implementing agencies (IAs), the SET project remained manageable due to Tonga’s small size and strong central coordination. Each IA—the Ministry of Finance and National Planning (MFNP), the Ministry of Internal Affairs (MIA), and the Ministry of Education and Training (MET) - oversaw a distinct subcomponent. A dedicated project Management Unit (PMU) was housed within MIA, staffed with key personnel including a Team Leader, Procurement Officer, project Accountant, M&E Specialist, and Administrative Support Officer. MIA and MET communicated with the World Bank through this PMU. The PMU, in turn, reported to the Skills Sector Steering Committee (SSSC), which provided cross-agency coordination, strategic guidance, and donor alignment to prevent overlap (e.g., with DFAT). To strengthen capacity and fill gaps within the IAs, the Central Support Unit (CSU) was established to support the PMU and enhance overall implementation (ICR, p. 16).**

**The Central Support Unit (CSU) improved efficiency by replacing costly international staff with trained national staff.** Although there was some initial misunderstanding regarding the division of roles and responsibilities between the PMU and the CSU, this was subsequently clarified. In addition, despite early challenges like hiring delays, staff turnover, and limited international experience, the CSU successfully supported COVID-19 response efforts, project preparation, and capacity building across World Bank-financed initiatives, though not formally credited under SET (Project Team email 20 September 2025). While CSU funding was efficiently used and contributed to improved implementation, its impact on overall portfolio performance was mixed. The CSU was a new model to both the government and the World Bank, it required time and collaboration to reach a shared understanding and integrate effectively (ICR, pp. 12-13).

## Efficiency Rating

Substantial

a. If available, enter the Economic Rate of Return (ERR) and/or Financial Rate of Return (FRR) at appraisal and the re-estimated value at evaluation:

	Rate Available?	Point value (%)	*Coverage/Scope (%)
Appraisal	✓	34.90	31.00 <input type="checkbox"/> Not Applicable
ICR Estimate	✓	25.10	38.00 <input type="checkbox"/> Not Applicable

\* Refers to percent of total project cost for which ERR/FRR was calculated.



## 6. Outcome

The project's overall rating is **Satisfactory**. The project was highly relevant and aligned to both the Government's as well as partners' - including the World Bank – priorities. The project achieved most of its outcomes and produced several outputs related to school attendance, TVET training, and employment overseas. However, the project did not monitor the outcomes in terms of domestic employment and did not ensure that the TVET would be accredited overseas, thus limiting international employment. Finally, the project was relatively efficient, achieving its targets though it experienced delays and its IRR and BCR were lower than initially envisaged.

### a. Outcome Rating

Satisfactory

## 7. Risk to Development Outcome

**The risk to development outcome is analyzed across the following dimensions: policy, financial, economic, organizational, and human resources capacity.**

**At the policy level, the project helped shape Tonga's 2023 National Social Protection Policy and contributed to two major Development Policy Operations (DPOs).** The project laid the groundwork for policy dialogue around the 2023 National Social Protection Policy and the pilot social registry under MIA, contributing to institutional development and capacity building. Additionally, the labor mobility framework and procedures established by SET were recognized as prior actions in two key DPOs: the Tonga First Resilience DPO (P171071) and the Tonga Second Resilience DPO (P172742) (p. 15).

**Despite proven effectiveness, financial sustainability is not guaranteed which puts at risk the sustainability of outcomes achieved.** A key concern is the uncertain future of financing for CCTs, which threatens the Project's long-term impact. These transfers were vital in helping vulnerable groups - especially women - access training and employment. Fiscal pressures and competing budget demands may hinder efforts to institutionalize CCTs, underscoring the need for strong policy commitment to sustain support (ICR, pp. 202-21).

**While the project expanded overseas employment opportunities, there is a risk that the skills developed may not return to Tonga, reducing long-term local economic benefits for employers and communities.** Tonga's strong labor mobility and dependence on overseas employment offer both promise and complexity for sustaining domestic job growth. However, there's a concern that the skills gained through SET may not be reinvested into Tonga's local workforce, which could limit long-term economic development (ICR, p. 21)

**At the organizational, the CSU has played a key role in strengthening national capacity.** Tonga's World Bank portfolio now relies less on international consultants for procurement, financial management, environmental and social safeguards, and monitoring and evaluation. The initial CSU team has been fully transitioned to national staff. This shift has boosted local expertise and conserved foreign exchange. The CSU has fulfilled its intended role and remains active. Currently, the CSU's performance is under review to



inform the development of CSU 2.0—an upgraded model aimed at further improving project implementation capacity in Tonga (ICR, p. 15). Additionally, the project strengthened MIA's capacity by establishing the MIS, fully implementing the CCT process, and training staff in program management and monitoring—positioning MIA to potentially expand the initiative with additional funding (ICR, p. 15).

**At the human resources level, the project has built the skills of Tongans and improved their employment opportunities.** Around 50 national staff working on World Bank financed projects in Tonga improved their skills/ knowledge in Procurement, Financial Management, Safeguards, Contract Management, and M&E (ICR, p. 27). Furthermore, the project supported almost 14,000 beneficiaries in completing a pre-departure training program for migration and over 1,000 TSSF beneficiaries in enrolling in a certificate or diploma level qualification (ICR, p. 26).

**Finally, external shocks threaten the Project's sustainability.** Tonga's economy faces rising risks from inflation, global downturns, and climate-related events like cyclones and sea-level rise. These shocks threaten household income, employment demand, and could undermine the progress made by SET—especially for vulnerable groups—unless resilience measures are strengthened (ICR, p. 21).

## 8. Assessment of Bank Performance

### a. Quality-at-Entry

**The project's design relied on analytical assessments, was flexible, and addressed government priorities.**

**The project's design incorporated lessons from global knowledge and other donors' ongoing projects** (PAD 2014, pp. 14-15). Building on the Bank's support of education reform in Indonesia, several analyses that informed the Project's design, including "Who Learns What in Basic Education: Evidence from Indonesia" (2018), "Efficient Deployment of Teachers: A Policy Note" (2018), and "Learning for All: Towards Quality Education for Enhanced Productivity and Economic Growth in Indonesia" (2018) (ICR, p. 13). In addition, the **project drew on the World Bank's technical expertise in designing CCT programs—particularly in small island contexts—and in promoting TVET as a pathway to employment (ICR, p. 16)**. The project also incorporated implementation lessons from Technical Assistance (TA) and projects funded by Australia and New Zealand, and the Asian Development Bank (ICR, p. 13).

**The project's design was innovative and multisectoral.** The introduction of performance-based financing through the QIGs marked a groundbreaking shift in Tonga's TVET sector, which had previously relied on input-based models. This innovative approach functioned as intended, motivating training providers to enhance the quality of their services—strengthening teaching capacity, upgrading equipment, and refining curricula to better meet learners' and labor market needs (ICR, p. 22). The SET's design also combined the World Bank's education, employment, and migration agendas instead of addressing these development issues in separate projects (ICR, p. 20).

The project's design included several weaknesses:



**Complex institutional arrangements, involving three Implementing Agencies (IAs) and spanning secondary education as well as employment.** The three IAs were: (1) the Ministry of Finance and National Planning (MFNP), the IA responsible for the establishment and functioning of the CSU, (2) the Ministry of Internal Affairs (MIA) where the PMU was located. The PMU reported to the Skills Sector Steering Committee (SSSC) and (3) the Ministry of Education and Training (MET) (PAD, 63). Furthermore, the IA's human resources and procurement and FM capacities were not adequately assessed during the design phase which led to delays and inefficient management (Borrower's ICR, p. 29).

**Limited coordination among development partners—due in part to tight delivery timelines—led to unrealistic goals.** Only TNQAB achieved national recognition for its program, while better early dialogue with partners like DFAT might have avoided the need for restructuring. The SET project aimed to align formal TVET certificate qualifications with the growing demand for overseas employment, creating a pathway for Tongan graduates to access international job markets. However, the initiative overlooked a critical component—the TNQAB accreditation process—needed to ensure these qualifications would be recognized abroad. Without this recognition, the intended international mobility for graduates was undermined (Borrower's ICR, p. 28).

**A design inconsistency emerged between the PDO and a component linked to CSU's attachment to SET.** The financing of the CSU was neither a standalone component nor did it directly contribute to achieving the PDO. It was a sub-component under project management, providing capacity building and implementation support.

**The project's overall risk was rated Substantial with the most substantial risks being macroeconomic, technical design, institutional capacity and sustainability, fiduciary, and stakeholder risks** (PAD, pp. 26-28). The Project's risks were well identified and mitigated to the extent possible (ICR, p. 20), such as employing individual consultants and technical assistance (TA); providing targeted training for the PMU; developing detailed operational plans; conducting regular stakeholder consultations; and developing transparent selection criteria for QIGs (ICR, p. 16).

**In terms of M&E, the project's design had two main weaknesses: one related to the lack of a Theory of Change (ToC) and Results Framework which are discussed further below under M&E Design.**

## Quality-at-Entry Rating

Satisfactory

### b. Quality of supervision

**Timely and responsive supervision:** The Bank team adapted swiftly to evolving circumstances and client needs during implementation by undertaking the following actions:

- **Restructuring requests from the government.** The Bank team responded promptly to two restructuring requests to: (1) avoid duplication of activities, (2) adjust to the triple crises, and (3) ensure students could complete their school year (ICR, p. 20).



- **Course correction.** The QIG program initially funded collaborations between TVET beneficiaries and overseas institutions to develop certificate-level courses. Yet, in the final two years of implementation, it became clear that these certificates lacked international validity. As a result, the program pivoted its strategy, focusing instead on securing local accreditation through TNQAB to enhance domestic employment prospects for TVET graduates (Borrower's ICR, p. 28).
- **Coordination with Australia's Department of Foreign Affairs and Trade (DFAT).** The Bank team identified an overlap with DFAT's labor mobility support. As a result, it adjusted the Project's activities to prevent duplication and ensure complementarity (ICR, p. 20).
- **Monitoring and Reporting:** The Bank team produced 15 detailed Implementation Support Reports (ISR) with updated monitoring data and realistic performance assessments (ICR, p. 20).
- **Collaboration with GoT.** The Bank team helped identify corrective measures for minor financial management (FM) issues. It also worked with GoT to design a follow-on project to continue cash transfers and to sustain systems established by SET. However, at the time of ICR writing, the follow-on project was not foreseen (ICR, p. 20).

### Quality of Supervision Rating

Satisfactory

### Overall Bank Performance Rating

Satisfactory

## 9. M&E Design, Implementation, & Utilization

### a. M&E Design

The M&E design had several weaknesses including:

- **Lack of a Theory of Change.** Though the Project was designed in 2019, it did not include a well-developed Theory of Change as was mandated by the World Bank's guidelines (May 2018). The ToC would have allowed to follow the Project's pathway from inputs, outputs to outcomes and objectives.
- **PDO insufficiently captured the outcomes.** The PDO was broken down into two objectives, merging together domestic and international employment under the second objective.
- **Lack of baseline information.** Most of the indicators lacked baseline data (ICR, p. 21).
- **Not all indicators were measurable** (e.g., domestic employment). Since job demand depends on many factors outside the Project's control, it was difficult to measure domestic employment without stronger links between project activities and job creation (ICR, p. 22).
- **Some indicators did not capture the number of "unique" beneficiaries.** For example, the number of Tongans in work ready pool were not "unique" numbers of beneficiaries since one person could have reached the work-ready pool team several times following the different trainings. It is estimated that the numbers reported could be 2-3 times higher than that of "unique" beneficiaries (Borrower's ICR, p. 33).
- **Frequency of measuring some indicators was not defined.** For example, PDO 3.1 which measures the beneficiaries in the work-ready pool accessing employment opportunities abroad did



not indicate the timeframe to measure the PDO whether it is bi-annually or annually. (Borrower’s ICR, p. 29).

**The M&E design had three strengths:** (1) a dedicated M&E specialist was recruited in the PMU; (2) indicators were sex-disaggregated; and (3) a separate impact evaluation (IE) was planned to assess the results of Components 1 and 2. The proposed methodology included a quasi-experimental methodology in both cases, drawing on a regression discontinuity design (RDD) in the case of the CCT and a difference-in-differences approach for the TVET Student Support Funds. (PAD, p. 22).

**b. M&E Implementation**

The ICR provides information on the resources allocated, tools used, indicators identified for M&E implementation.

- **Mixed M&E implementation:** Monitoring and Evaluation (M&E) efforts showed varied success across project components.
- **MIS development:** The MIS was fully developed, albeit with significant delays, and operational by project end, providing strong data tracking for Component 1 indicators. Furthermore, additional features could have been included in the MIS to capture the compliance data and school drop-out or exit rates by educational level, school and island division (Borrower’s ICR, p. 29).
- **Data access issues:** Regular data downloads from the MIS were problematic, affecting timely and accessible decision-making.
- **Component 2 tracking gaps:** Indicator tracking for Component 2 was incomplete due to fragmented data responsibilities and limited subnational capacity.
- **Impact evaluation challenges which required Bank intervention:** A local firm was hired for the evaluation, but preliminary data showed poor quality, with inconsistencies and missing records. As a result, the World Bank team conducted the evaluation independently to ensure methodological rigor and reliable data.

**Several indicators were modified or eliminated during project implementation. At the activity/output level Table 5 provides a summary of the changes introduced during the first restructuring with** four PDOs dropped and six new PDOs were added (ICR, p. 7). The original PDO indicator - “Share of beneficiaries who are employed in the domestic market” - was removed due to its vague definition and the difficulty of measuring employment outcomes, particularly during the COVID-19 period. It was replaced with a new indicator: “Average completion rate of project-supported TVET programs.” While this alternative was more feasible to track, it did not effectively capture progress toward the PDO, especially regarding beneficiaries’ transition into domestic or overseas employment (ICR, p. 17).

**Table 5. Changes in output-level targets**

<i><b>PDO 1: Improve opportunities for secondary school progression</b></i>		
Average duration of secondary school completed amongst the poorest decile - overall (number of months)	Dropped	Indicator did not capture the impact of the CCT program nor was it properly defined to be measurable.
Average duration of secondary school completed amongst the poorest decile— female (number of months)	Dropped	



Share of CCT students that completed the grade over all CCT students enrolled in that grade – overall (%)	Added	Included to replace the dropped indicators to now capture progression, as stated in the PDO
Share of CCT students that completed the grade over all CCT students enrolled in that grade - female (%)	Added	
Share of CCT students that transitioned to the next grade OR to a TVET program - overall (%)	Added	
Share of CCT students that transitioned to the next grade OR to a TVET program - female (%)	Added	
Average completion rate of project-supported TVET programs - overall (%)	Added	
Average completion rate of project-supported TVET programs - female (%)	Added	
<b><i>PDO 2: Facilitate the transition to jobs in the domestic and overseas labor markets for Tongans</i></b>		
Share of beneficiaries who are employed in the domestic labor market six months after completion of training - overall (%)	Dropped	The Ministry of Education and Training (MET) was unable to track employment status of beneficiaries due to impacts of the COVID-19 pandemic
Share of beneficiaries who are employed in the domestic labor market six months after completion of training - female (%)	Dropped	

**c. M&E Utilization**

**Use of M&E data and reports varied between Components 1 and 2. Nevertheless, M&E utilization informed Project adjustments.**

- **Active use of M&E:** Monitoring and Evaluation (M&E) was consistently applied to track project progress and guide implementation, especially for Component 1.
- **Limited Component 2 coverage:** Incomplete M&E coverage for Component 2 reduced the overall effectiveness of evidence-based decision-making across the full project scope.
- **Midcourse adjustments:** Regular monitoring data enabled timely modifications to improve program delivery. For example, when CCT officers identified that some students were not attending classes due to family reasons, MIA staff collaborated with the Truancy Department at the Ministry of Education. This approach not only enhanced the monitoring of attendance but also addressed the underlying causes of absenteeism, demonstrating how monitoring data can inform and improve program implementation (Project Team email 20 September 2025).
- **MIS as a future tool:** An international firm, Convergence Solutions Ltd, developed and maintained the CCT Management Information System (MIS). It also provided training to CCT operators on data entry, tracking student attendance, and monitoring program completion. The system was successfully transitioned and is now hosted locally at the Prime Minister’s Office E-Government Data Centre, which also manages data backups (borrower’s ICR, p. 11). The MIS is expected to support adaptive management in future phases.

**M&E Quality Rating**

Substantial



## 10. Other Issues

### a. Safeguards

**The project's overall safeguards rating was recorded as Satisfactory in the Operations Portal.**

**During appraisal, the Project was found to pose minimal environmental and social risks, with no complex or unusual issues anticipated. Social risks were considered moderate and manageable.** During appraisal, the Project was classified as Category C, meaning it did not trigger World Bank safeguards policies due to its low environmental and social risk profile. With no physical works involved, environmental impacts were minimal, limited to minor risks from equipment used in pre-departure screenings and TVET quality improvement. Social risks, particularly around equitable delivery of the CCT program, were effectively managed through stakeholder engagement. No formal safeguards instruments were required, but mitigation measures—including a grievance redress mechanism—were outlined in the Project Operations Manual and supported by Environmental and Social Codes of Practice. Throughout implementation, rapid due diligence was conducted at TVET sites to strengthen monitoring and grievance awareness. The PMU Project Manager oversaw E&S risk management, supported by CSU staff including an E&S Specialist and later an E&S Officer. However, the need for additional capacity became clear, leading to the involvement of a World Bank Short-Term Consultant to reinforce safeguards compliance. A key takeaway was the importance of embedding E&S expertise directly within the PMU for future projects.

**A Grievance Redress Mechanism (GRM) was implemented at both national and local levels, utilizing direct channels such as the PMU, MoRA services, and madrasah leadership, as well as indirect channels including email, WhatsApp, and social media. Complaint boxes were also placed at each madrasah. By December 2024, the GRM had received 678 complaints, primarily concerning noise, dust, construction materials, waste management, and risks to children. All complaints were addressed and resolved within 14 days (ICR, p. 16).**

### b. Fiduciary Compliance

**In terms of financial management (FM), throughout implementation, the Project's financial management (FM) risk remained moderate, though performance temporarily declined in 2023 due to overdue financial reports, a delayed audit, and findings of ineligible expenditures and weak internal controls. These included unresolved costs from prior years and unsupported expenses for a staff retreat, incomplete fixed asset records, and improper cash reconciliations. By September 2024, the FM rating improved after key refunds and documentation were provided, with corrective measures integrated into the annual work plan. While the FY24 audit noted ongoing reconciliation delays, a remedial plan in collaboration with the Ministry of Finance was addressed by June 30, 2025. Additionally, the December 2024 IFR was submitted, as was the final report covering January–April 2025 (Project Team email 20 September 2025). As of the latest reporting, financial submissions are largely on track, and the Project achieved a 99.77 percent disbursement rate, supported by a dedicated FM Specialist within the CSU.**

**In terms of procurement performance, procurement under the Project faced notable delays and inefficiencies, largely due to limited use of monitoring systems and lack of technical readiness. Most contracts managed by MIA's PMU and MoF's CSU were behind schedule. A key example was the**



Education Management Information System contract (US\$551,371), which was procured eight months late due to delays in finalizing its scope. It was completed only in July 2023, well past the planned timeline (ICR, p. 19). Monitoring was further hindered by untimely updates in the World Bank's STEP system, especially regarding contract management. Despite these challenges, collaboration between PMU and CSU was strong. In 2022, the CSU introduced a roster of on-call procurement experts to better manage peak demands, marking a positive step toward more responsive procurement support (ICR, p. 19).

### c. Unintended impacts (Positive or Negative)

The ICR did not identify any unintended impacts. Nevertheless, the Project had several positive unintended impacts (ICR, p. 15), including:

- **Mitigation of COVID-19 pandemic impact:** The CCT program, built on systems established by SET, helped cushion the impact of COVID-19 by providing top-up payments to vulnerable households.
- **Improved nutrition for schoolchildren:** A 2024 survey showed strong agreement among beneficiaries that the cash helped keep children in school, improved their performance, and ensured access to meals. Most families used the funds for education-related expenses and food.
- **Rapid identification of beneficiaries of other initiatives.** In 2020, households receiving CCT support were selected through Climate Change and Disaster Risk Management Training, which also helped improve early warning and disaster preparedness within communities (ICR, p. 15).

### d. Other

**The Project placed a particular focus on providing targeted information on migration opportunities available for women.** Although there was no dedicated gender action plan or impact evaluation, the Project drew on lessons from earlier Pacific initiatives. Its consistent focus on inclusion and monitoring - especially in Component 3 - led to strong gender outcomes.

**Measures were put in place to ensure that as the work-ready pool of migrants developed, there would be a higher number of young women than men (PAD, p. 20).** To support this, the Project tracked sex-disaggregated data across key indicators like training, job placement, and earnings and added new sex-disaggregated monitoring during the first restructuring and which were not part of original design (see ICR, Table 2, pp. 7-8). This enabled targeted adjustments, such as:

- Campaigns by the Tonga Institute of Science and Technology to recruit more women into electrical engineering.
- Raising the age limit for female beneficiaries from 35 to allow greater participation from older and disadvantaged women.

Furthermore, and to maximize the impact on human capital development, CCTs were directed to mothers or female guardians (PAD, p. 18).

While all the gender-related targets were achieved (see Table 6), in relative terms, the indicator "TSSF beneficiaries enrolled in a certificate or diploma level qualification" did not achieve its target in terms of



female beneficiaries (original target 330 women/600 beneficiaries; achieved 435/1,064). Similarly, this was the case for another indicator (Beneficiaries completing a pre-departure training program for migration). However, also in relative terms, the Project succeeded in increasing the number of women who found employment overseas (944/3,608 women versus 2,878/13,778 total beneficiaries).

**Table 6. Number of female beneficiaries as a percentage of total beneficiaries (target vs achieved)**

Indicator name	Baseline	Target	Actual achieved at completion
Share of CCT students that completed the grade over all CCT students enrolled in that grade (Percentage)	44.1%	80%	94%
Share of CCT students that completed the grade over all CCT students enrolled in that grade - Female (Percentage)	48.9%	80%	95%
Share of CCT students that transitioned to the next grade OR to a TVET program (Percentage)	0	70%	80%
Share of CCT students that transitioned to the next grade OR to a TVET program - female (Percentage)	0	70%	81%
TSSF beneficiaries enrolled in a certificate or diploma level qualification - overall (Number)	0	600	1,064
TSSF beneficiaries enrolled in a certificate or diploma level qualification - female (Number)	0	330	435
Beneficiaries completing a pre-departure training program for migration - overall (Number)	0	8,000	13,778
Beneficiaries that have completed a pre-departure training program for migration - female (Number)	0	2,000	3,608
Volume of Tongans in work ready pool - overall (Number)	0	1,600	5,759
Volume of Tongans in work ready pool - female (Number)	0	950	1,940
Beneficiaries in the work ready pool accessing employment opportunities abroad - overall (Number)	0	2,000	2,878
Beneficiaries in the work ready pool accessing employment opportunities abroad - female (Number)	0	500	944

## 11. Ratings

Ratings	ICR	IEG	Reason for Disagreements/Comment
Outcome	Highly Satisfactory	Satisfactory	Outcomes for Objective 2 were either not measured (domestic employment) or had limited results due to the lack of accreditation of TVET training overseas.
Bank Performance	Satisfactory	Satisfactory	
Quality of M&E	Substantial	Substantial	



Quality of ICR

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Substantial

## 12. Lessons

The ICRR confirms the series of lessons and recommendations emerging from the project's experience (ICR, pp. 21-23). The ICRR summarizes the most relevant lessons below:

**Addressing the supply and demand aspects of labor and migration allows to integrate national development strategies and management of migration.** The SET project in Tonga stands out as a pioneering example of integrating migration into national development strategy, offering key lessons for small nations navigating labor mobility. By aligning vocational training with market demand both locally and in destination countries like Australia and New Zealand, SET equipped Tongans with in-demand skills—such as butchery and eldercare—through targeted TVET programs. It also facilitated a bilateral agreement with Australia, proactively managing migration by preparing workers with both technical and soft skills for successful integration. These efforts laid the foundation for a Global Skills Partnership and operationalized World Development Report 2023 recommendations for managing migration in “strong match” scenarios, where migrants’ skills directly meet labor shortages abroad.

**Replacing traditional input-based models with performance-based financing contributes to improvements in teaching quality, equipment, and curriculum.** This approach not only enhanced provider capacity but also catalyzed broader government support, leading to increased promotion of TVET, higher enrollment encouragement, and the establishment of a dedicated TVET unit within the Ministry of Education and Training. The model proved effective in achieving targets while empowering institutions, suggesting that future initiatives could build on this momentum by linking funding to employment outcomes and nationally recognized certifications, including recognition of prior learning for international migrants.

**Establishing general service units as standalone operations rather than embedding them within sector-specific projects allows for greater transparency, accountability and sustainability.** Stakeholder feedback and project documentation indicate that the CSU would have been more effective and sustainable if housed centrally—under the Ministry of Finance or Planning—with shared funding from all World Bank-supported projects. This structure would enhance long-term viability, improve accountability, and streamline reporting and portfolio management across government ministries, including disbursement forecasting and implementation planning.

**Employment indicators must be clearly defined and closely linked to project activities.** SET demonstrated that measuring employment outcomes is difficult when job demand is influenced by external factors beyond the project's scope. The original domestic employment indicator lacked clarity and relevance, especially during COVID-19. Although the team revised it during restructuring, future projects should only include employment indicators when demand-side activities are present, and when outcomes can be measured through reliable data sources. Using counterfactual comparisons rather than absolute employment gains can better reflect the project's impact, even in volatile labor market conditions.



**Hands-on technical assistance is essential for effective implementation in low-capacity settings.** SET's success was strongly supported by complementary TA, which helped overcome implementation challenges. The project highlighted the ongoing question of the World Bank's role in direct implementation, particularly in resource-constrained environments like the Pacific. The team's active involvement helped build local capacity, but also revealed the limitations of virtual support. Ensuring sufficient resources for in-person implementation support is critical for future operations in similar contexts.

### 13. Assessment Recommended?

No

### 14. Comments on Quality of ICR

**The ICR has some positive features, including a reconstructed Theory of Change.** The PAD did not include a ToC so the ICR presented one which included the inputs, outputs and outcomes; however, without indicating the pathways (ICR, p. 4). The reconstructed ToC - which was based on the project's Results Framework – also included key critical assumptions (e.g., Financial support provided is enough to encourage poor households to keep their children in secondary school and forgo employment opportunities).

**The ICR is concisely written, consistent with the guidelines, and makes well-use of the available data from the impact evaluation to demonstrate results.** For example, the ICR uses results from an impact evaluation to validate the outcomes related of Component 1 (ICR, p. 12).

**The ICR is sufficiently critical of the M&E Design and Results Framework** which had several shortcomings, including a lack of a ToC, a PDO which did not include the CSU and weaknesses in both the design and implementation of M&E as discussed in the M&E section. However, it could have been more candid regarding some of the challenges faced and which are emphasized in the Borrower's ICR (such as the challenges faced regarding the TSSF and the impact of the extensive delay in setting up an operational MIS).

**The Lessons Learned section, while providing useful lessons derived from the project's experience which were underpinned by evidence, mixes lessons with recommendations.** In addition, two key lessons mentioned in the Borrower's ICR but not captured in the Lessons Learned are (1) **the importance of addressing overseas accreditation at the onset of the project in order to ensure overseas employment (Borrower's ICR, p. 28);** and (2) **the need to put in place counseling services to accompany school dropouts** and assist with students when they are struggling with school attendance or other social matters (Borrower's ICR, p. 29).

#### a. Quality of ICR Rating Substantial

